

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re: :
: Chapter 11
The National Rifle Association of America, *el al.*¹ :
: (Jointly Administered)
Debtors. :
Case No. 21-30085-hdh11

**DECLARATION OF THOMAS M. BUCHANAN IN SUPPORT OF THE MOTION OF
CHRISTOPHER W. COX (I) TO MODIFY THE AUTOMATIC STAY TO ALLOW
A TRIAL-READY ARBITRATION TO PROCEED AGAINST THE
NATIONAL RIFLE ASSOCIATION OF AMERICA, AND (II) FOR RELATED RELIEF**

I, Thomas M. Buchanan, hereby declare under penalty of perjury as follows:

1. I am a partner at Winston & Strawn LLP, counsel for Christopher W. Cox (“Cox”) in the above-captioned bankruptcy case and in an ongoing arbitration matter against Debtor National Rifle Association of America (“NRA”).

2. I make this declaration to present certain documents referenced in Cox’s *Motion to (I) Modify the Automatic Stay to Allow a Trial-Ready Arbitration to Proceed Against the National Rifle Association of America, and (II) for Related Relief* (the “Motion”),² filed herewith.

3. Attached hereto as Exhibit A is a true and correct copy of [REDACTED]

4. Attached hereto as Exhibit B is a true and correct copy of [REDACTED]

5. Attached hereto as Exhibit C is a true and correct copy of a letter to supporters from NRA Executive Vice President Wayne LaPierre, dated January 15, 2021.

¹ The last four digits of the Debtors’ taxpayer identification numbers are: 6130 (NRA) and 5681 (Sea Girt). The Debtors’ mailing address is 11250 Waples Mill Road, Fairfax, Virginia 22030.

² Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Motion.

6. Attached hereto as Exhibit D is a true and correct copy of a press release issued by the NRA on January 15, 2021.

7. Attached hereto as Exhibit E is a true and correct copy of the Certificate of Formation of Sea Girt, LLC, dated November 24, 2020.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Executed on January 22, 2021, in Alexandria, Virginia.



Thomas M. Buchanan

Exhibit A

(to be filed under seal)

Exhibit B

(to be filed under seal)

Exhibit C



Friday, Jan. 15, 2021

Dear NRA Members & Supporters:

Today, the NRA announced a restructuring plan that positions us for the long-term and ensures our continued success as the nation’s leading advocate for constitutional freedom – free from the toxic political environment of New York.

The plan can be summed up quite simply: We are DUMPING New York, and we are pursuing plans to reincorporate the NRA in Texas.

To facilitate the strategic plan and restructuring, the NRA and one of its subsidiaries have filed voluntary chapter 11 petitions in the United States Bankruptcy Court for the Northern District of Texas, Dallas Division. As you may know, chapter 11 proceedings are often utilized by businesses, nonprofits and organizations of all kinds to streamline legal and financial affairs.

Under the plan, the NRA will continue what we’ve always done – confronting anti-gun, anti-self-defense and anti-hunting activities and promoting constitutional advocacy that helps law-abiding Americans. Our work will continue as it always has. No major changes are expected to the NRA’s operations or workforce.

Importantly, our plans do not impact your membership at any level.

NRA supporters will continue to enjoy all their full member benefits – from new members to Life Members to Benefactor Members. We will continue to publish and deliver your magazines. We will continue to train Americans and teach them firearm safety. We will continue to teach hunter safety. But most importantly, we will continue to fight for your freedom and the freedom of all Americans – as we have for all these years. In fact, we are expanding our national platform.

The plan aims to streamline costs and expenses, proceed with pending litigation in a coordinated and structured manner, and realize many financial and strategic advantages.

You know that our opponents will try to seize upon this news and distort the truth. Don't believe what you read from our enemies. The NRA is not "bankrupt" or "going out of business." The NRA is not insolvent. **We are as financially strong as we have been in years.**

But they know today's announcement makes us bigger, stronger and more prepared for the fight for freedom.

We are leaving the state of an attorney general who, just a few months ago, vowed to put us out of business through an abuse of legal and regulatory power. In fact, the gross overreach of the New York Attorney General and New York Governor has been resoundingly criticized by powerful national groups like the ACLU and a host of prominent legal scholars.

Subject to court approval, the NRA is pursuing plans to reincorporate in the State of Texas. The Lone Star State is home to more than 400,000 NRA Members and the site of our 2021 Annual Meeting being held in Houston.

Texas values the contributions of the NRA, celebrates our law-abiding members, and joins us as a partner in upholding constitutional freedom.

Under this plan, we seek protection from New York officials who illegally abused and weaponized the powers they wield against the NRA and its members. You can be assured the Association will continue the fight to protect your interests in New York – and all forums where the NRA is unlawfully singled out for its Second Amendment advocacy.

This plan represents a pathway to opportunity, growth and progress.

This is the most transformational moment in the history of the NRA. And it involves all of you.

The NRA will continue to promote its Second Amendment advocacy, sponsor firearms training, and work with its network of instructors and volunteers in furtherance of its mission. This plan actually

streamlines all of the NRA's activities and improves our operational processes.

I know we have welcomed many of you to our headquarters in Fairfax, Virginia. We have no immediate plans to relocate, but we are forming a special committee to explore our strategic options in this regard. We want to determine if there are advantages to relocating our HQ operations to another state. I have asked our leadership team to explore all options that benefit the NRA and its members.

What's most important is leading the fight for Second Amendment freedom and serving our members. **We will do that from anywhere that works best for you and for our cause.**

All membership dues and financial donations will be fully dedicated to supporting our operations and public advocacy. This plan actually improves our business. It protects us from costly, distracting and unprincipled attacks from anti-2A politicians aimed at attacking the NRA because we are a potent political force. We know that the gun ban lobby will never stop – fueled by a hatred of your freedoms and by wealthy benefactors. **Our plan is the best way to confront them.**

We are now prepared for a better future. In fact, to me, it feels like the dawn of a new day.

We are revitalized, well-positioned, and steadfast in our commitment to fight for you. To learn more, please visit www.nra.org/forward.

Thank you for your unwavering spirit and being part of the NRA's future. Both hold incredible promise for our country – and the freedoms in which it believes.

Wayne LaPierre

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Exhibit D

[Home](#) [Wayne's Letter](#) [Q&A](#) [News](#) [Press Release](#) [Vendor Letter](#) [Quotes](#)

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Press Release

FOR IMMEDIATE RELEASE

Jan. 15, 2021

NRA Leaves New York to Reincorporate in Texas, Announces New Strategic Plan

NRA Plans to Exit New York to Pursue Opportunity, Growth and Progress in Texas; Plan Benefits Association, Its Millions of Members, and All Supporters of the Second Amendment

Fairfax, VA – The National Rifle Association of America (“NRA”) today announced it will restructure the Association as a Texas nonprofit to exit what it believes is a corrupt political and regulatory environment in New York. The move will enable long-term, sustainable growth and ensure the NRA’s continued success as the nation’s leading advocate for constitutional freedom – free from the toxic political environment of New York.

The NRA plan, which involves utilizing the protection of the bankruptcy court, has the Association dumping New York and organizing its legal and regulatory matters in an efficient forum. The move comes at a time when the NRA is in its strongest financial condition in years.

The NRA will continue with the forward advancement of the enterprise – confronting anti-Second Amendment activities, promoting firearm safety and training, and advancing public programs across the United States. There will be no immediate changes to the NRA's operations or workforce.

The Association will seek court approval to reincorporate the Association in the State of Texas – home to more than 400,000 NRA members and site of the 2021 NRA Annual Meeting in Houston.

“This strategic plan represents a pathway to opportunity, growth and progress,” says NRA CEO & EVP Wayne LaPierre. “Obviously, an important part of this plan is ‘dumping New York.’ The NRA is pursuing reincorporating in a state that values the contributions of the NRA, celebrates our law-abiding members, and will join us as a partner in upholding constitutional freedom. This is a transformational moment in the history of the NRA.”

The restructuring plan aims to streamline costs and expenses, proceed with pending litigation in a coordinated and structured manner, and realize many financial and strategic advantages.

The Path Forward

The NRA will move quickly through the restructuring process. Its day-to-day operations, training programs, and Second Amendment advocacy will continue as usual.

By exiting New York, where the NRA has been incorporated for approximately 150 years, the NRA abandons a state where elected officials have weaponized the legal and regulatory powers they wield to penalize the Association and its members for purely political purposes.

In the summer of 2018, then New York Attorney General candidate Letitia James vowed that, if elected, she would use the powers of her office to investigate the “legitimacy” of the NRA.

Without a shred of evidence to support the claim, she called the Association a “terrorist organization” and a “criminal enterprise.” As promised, she commenced an “investigation” upon being elected to the Office of NYAG and, predictably, filed a lawsuit seeking to dissolve the NRA just prior to the November 2020 national election.

The NRA filed a lawsuit in August 2020 against the NYAG similar to its lawsuit against New York Governor Andrew Cuomo and the New York State Department of Financial Services, filed in 2018. The NRA pursues the defendants for attempting to “blacklist” the organization and its financial partners in violation of their First Amendment rights. The NRA will continue those legal actions.

“Under this plan, the Association wisely seeks protection from New York officials who it believes have illegally weaponized their powers against the NRA and its members,” says William A. Brewer III, counsel to the NRA in those cases. “The NRA will continue the fight to protect the interests of its members in New York – and all forums where the NRA is unlawfully singled out for its Second Amendment advocacy.”

With respect to its headquarters, the NRA has formed a committee to study opportunities for relocating segments of its business operations to Texas or other states. The Association will analyze whether a move of its headquarters, now located in Fairfax, Virginia, is in the best interests of its members. In the meantime, the NRA’s general business operations will remain in Fairfax.

To facilitate its strategic plan and restructuring, the NRA and one of its subsidiaries filed voluntary chapter 11 petitions in the United States Bankruptcy Court for the Northern District of Texas, Dallas Division. Chapter 11 proceedings are routinely utilized by businesses, nonprofits and organizations of all kinds to streamline legal and financial affairs.

The NRA also announced Marschall Smith will serve as Chief Restructuring Officer. A former Senior Vice President and General Counsel of 3M Company, Smith has more than 35 years of legal and business experience with an emphasis on compliance, corporate finance, and corporate governance.

“I am honored to join the nation’s oldest and largest civil rights organization during this important time,” Smith says. “Our goal is to work through the restructuring process efficiently and quickly – even as NRA leadership approaches 2021 with renewed energy and an expanding national platform. This plan has no impact on the NRA’s most important goal: serving its membership and protecting the Second Amendment.”

The NRA will propose a plan that provides for payment in full of all valid creditors’ claims. The Association expects to uphold commitments to employees, vendors, members, and other community stakeholders.

“The plan allows us to protect the NRA and go forward with a renewed focus on Second Amendment advocacy,” says NRA President Carolyn Meadows. “We will continue to honor the trust placed in us by employees, members and other stakeholders – following a blueprint that allows us to become the strongest NRA ever known.”

Additional Information:

Patrick J. Neligan of Neligan LLP, Dallas, Texas, is serving as debtor's counsel; William (Wit) Davis is counsel to the NRA Board of Directors and its Special Litigation Committee; Brewer, Attorneys & Counselors, Dallas, Texas, serves as special counsel to the NRA. To learn more, please visit www.nra.org/forward.

About the NRA:

Established in 1871, the National Rifle Association is America's largest and oldest civil rights organization. Approximately five million members strong, NRA continues its mission to uphold Second Amendment rights and is the leader in firearm education and training for law-abiding gun owners, law enforcement and the military. The NRA's 2021 Annual Meetings and Exhibits will be held September 3 – 5, 2021 at the George R. Brown Convention Center in Houston, Texas. Follow the NRA on Facebook, Instagram, and Twitter.

For more information contact:

Andrew Arulanandam, Managing Director, NRA Public Affairs, (703) 943 7152,
aarulanandam@nrahq.org

Travis J. Carter, on behalf of Brewer, Attorneys & Counselors and the NRA, (214) 653 4856,
tcarter@brewerattorneys.com

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Exhibit E



Office of the Secretary of State

The undersigned, as Secretary of State of Texas, does hereby certify that the attached is a true and correct copy of each document on file in this office as described below:

Sea Girt LLC
Filing Number: 803852959

Certificate of Formation


November 24, 2020

In testimony whereof, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in Austin, Texas on January 16, 2021.



A handwritten signature in black ink, appearing to read "Ruth R. Hughs".

Ruth R. Hughs
Secretary of State

Form 205 (Revised 05/11) Submit in duplicate to: Secretary of State P.O. Box 13697 Austin, TX 78711-3697 512 463-5555 FAX: 512 463-5709 Filing Fee: \$300	 Certificate of Formation Limited Liability Company	This space reserved for office use. FILED In the Office of the Secretary of State of Texas NOV 24 2020 Corporations Section
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Article 1 – Entity Name and Type

The filing entity being formed is a limited liability company. The name of the entity is:

Sea Girt LLC

The name must contain the words "limited liability company," "limited company," or an abbreviation of one of these phrases.

Article 2 – Registered Agent and Registered Office

(See instructions. Select and complete either A or B and complete C.)

☒ A. The initial registered agent is an organization (cannot be entity named above) by the name of:

Corporation Service Company d/b/a CSC-Lawyers Incorporating Service Company

OR

☐ B. The initial registered agent is an individual resident of the state whose name is set forth below:

<i>First Name</i>	<i>M.I.</i>	<i>Last Name</i>	<i>Suffix</i>
C. The business address of the registered agent and the registered office address is:			
<u>211 E. 7th Street, Suite 620</u>	<u>Austin</u>	<u>TX</u>	<u>78701-3218</u>
<i>Street Address</i>	<i>City</i>	<i>State</i>	<i>Zip Code</i>

Article 3—Governing Authority

(Select and complete either A or B and provide the name and address of each governing person.)

☐ A. The limited liability company will have managers. The name and address of each initial manager are set forth below.

☒ B. The limited liability company will not have managers. The company will be governed by its members, and the name and address of each initial member are set forth below.

GOVERNING PERSON 1			
NAME (Enter the name of either an individual or an organization, but not both.)			
IF INDIVIDUAL			
<i>First Name</i>	<i>M.I.</i>	<i>Last Name</i>	<i>Suffix</i>
OR			
IF ORGANIZATION			
<u>National Rifle Association of America</u>			
<i>Organization Name</i>			
ADDRESS			
<u>11250 Waples Mill Road</u>	<u>Fairfax</u>	<u>VA</u>	<u>USA 22030</u>
<i>Street or Mailing Address</i>	<i>City</i>	<i>State</i>	<i>Country Zip Code</i>

GOVERNING PERSON 2				
NAME (Enter the name of either an individual or an organization, but not both.)				
IF INDIVIDUAL				
First Name	M.I.	Last Name	Suffix	
OR				
IF ORGANIZATION				
Organization Name				
ADDRESS				
Street or Mailing Address		City	State	Country Zip Code

GOVERNING PERSON 3				
NAME (Enter the name of either an individual or an organization, but not both.)				
IF INDIVIDUAL				
First Name	M.I.	Last Name	Suffix	
OR				
IF ORGANIZATION				
Organization Name				
ADDRESS				
Street or Mailing Address		City	State	Country Zip Code

Article 4 – Purpose

Public education and advocacy in furtherance of the Second Amendment of the United States Constitution and the right to lawful self defense; preservation of free speech, and freedom of association, for those who advocate for the same causes; firearms education and training.

Supplemental Provisions/Information

Text Area: [The attached addendum, if any, is incorporated herein by reference.]

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Organizer

The name and address of the organizer:

Vanessa Shahidi

Name

11250 Waples Mill Road

Street or Mailing Address

Fairfax

City

VA 22030

State Zip Code

Effectiveness of Filing (Select either A, B, or C.)

A. ☒ This document becomes effective when the document is filed by the secretary of state.

B. ☐ This document becomes effective at a later date, which is not more than ninety (90) days from the date of signing. The delayed effective date is: _____

C. ☐ This document takes effect upon the occurrence of the future event or fact, other than the passage of time. The 90th day after the date of signing is: _____

The following event or fact will cause the document to take effect in the manner described below:

Execution

The undersigned affirms that the person designated as registered agent has consented to the appointment. The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument and certifies under penalty of perjury that the undersigned is authorized to execute the filing instrument.

Date: November 24, 2020



Signature of organizer

Vanessa Shahidi

Printed or typed name of organizer